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ent:

Subject:

To:

Epcor Water -- Tubac Rate Case

WS-01363A-14-0010

scrayhill@aol.com Thursday, March 05, 2015 10:48 AM BitterSmith-Web

Arizona Corporation Commission DOCKETED

MAR 0 5 2015

ORIGINAL **DOCKETED BY**

Dear Ms. Bitter Smith,

We wish to add our objections to EPCOR's request for an 88% rate increase for our water rates here in the Tubac community. While we all realize that most costs continue to rise, this amount of increase is difficult to understand and is a great burden to the monthly budget of this retired couple. I believe that you, as a member of the Arizona Corporation Commission, should be able to find a way of ameliorating this sizable increase. Because of Tubac's small number of water customers, we feel we are being harshly treated relative to the rest of the citizens of Arizona. Perhaps EPCOR should combine all is various service areas and treat its citizens uniformly as one service area.

Thank you for listening,

Richard and Betty Griese P.O Box 4721 Tubac, AZ 85646

U ഗ

From:

Richard Way <richard@granitemining.com>

Sent:

Wednesday, March 04, 2015 9:36 PM

To:

BitterSmith-Web

Subject:

EPCOR Tubac Water Rate Increase

Dear Commissioner Smith,

The size of the proposed water rate increase by EPCOR for the Tubac district is totally unreasonable. The values of our properties in this district have already suffered due to the economy and the proximity of the U.S. Border Patrol checkpoint on I-19. To approve a water rate increase of the magnitude that EPCOR has requested would further hurt home sales in our area. As a business owner, I would submit that EPCOR, in their process of acquiring the various water districts from Arizona American Water, was fully aware of the profit or losses associated with each district in the purchase package and based their decision on the total package. If Tubac's rates per thousand gallons were below those of the Mohave, Paradise Valley, and Sun City, one could justify an equalizing rate increase but that is not the case. Anything short of an across the board rate increase to reflect the costs of inflation seems totally inappropriate. Perhaps a better avenue for EPCOR would be to sell the Tubac water district.

Respectfully, Richard A. Way

Trom:

patzhow423@aol.com

ent:

Wednesday, March 04, 2015 7:42 PM

To:

BitterSmith-Web

Cc:

RBurns-Web; Stump-Web; Little-Web; Forese-Web

Subject:

EPCOR proposed rate hike

Dear Commissioners:

\It is too bad that Epcor wants to raise water rates in Tubac to an obscene level. It is also too bad that Epcor felt that they paid too much for their recently purchased water company, otherwise, why would they want to raise the rates, except to make more profit. The cost of electricity didn't go up for the pumps. The cost of the water is still free. This greedy move is only made because they CAN.

Please deny their request. The price increase is way out of the realm of common sense at this point in time. Let them reapply in a few years, and in the meantime maybe cut some fat off their expenses.

Sincerely,
Howard Bach
Real Estate Broker
and property owner
in Tubac, AZ
patzhow423@aol.com

From:

Anne Moore <djasmoore@gmail.com>

Sent:

Wednesday, March 04, 2015 7:08 PM

To:

BitterSmith-Web

Subject:

EPCOR proposed rate hike for the Tubac Water District

To: Commissioner Susan Bitter Smith:

I am writing to respectfully question the amount of the proposed rate increase, the disparity in such a proposed rate vis-a-vis other communities, and to protest the validity of this move at this time.

The huge percentage of the increase, 88%, would more than double our monthly bill. We are a retired couple in our 80's living on a fixed income, year round, in a modest (for Tubac) four-room home. It would be extremely difficult to absorb such a rate increase ALL OF A SUDDEN, as you would ask us to do. The question is - why this sudden leap in a rate, when management should have been able to foresee such a need and adjust rate increases over a period of time?

The second point has to do with the fairness of the proposed increase for Tubac residents. We are told that your customers in other communities would pay substantially less, e.g. three or four times less of an increase for the same water use than what you are asking Tubac residents to pay. I refer specifically to Mohave, Paradise Valley, and Sun City. Why?

Epcor has always been aware that the residents of the old Tubac Water District are a smaller customer base than the huge communities mentioned above, but they went ahead with the purchase anyway thereby assuming responsibility for fair treatment for all their customers, or they should have

I understand that Tubac already is paying more for their water than many other Arizona communities. Would you not agree that this is an appropriate time to adjust this disparity and, if indeed a water rate increase is absolutely necessary and justifiable, to raise the rates equitably across the board so that every community pays its fair share? Quite frankly, I don't understand why this is not your proposal. It should be.

Anne and Donald Moore 77 Otero Rd., Tubac AZ 85646

From: ent: Susan Maurer <smaureraz@msn.com> Wednesday, March 04, 2015 2:36 PM

To:

BitterSmith-Web

Subject:

EPCOR Water Arizona - Tubac Rate Case

Dear Commissioner Bittersmith:

We are writing today to ask you to please deny the proposed water rate increase sought by EPCOR. We are senior citizen residents in Tubac, Az. and the proposal to raise our water rates by 88% is unnecessarily punitive to our small community. To have our bills increase from about \$55.00 to over \$100.00 per month would wreak havoc with our finances and cause significant hardship to the families in our community. How can such a rate request be justifiable? For many reasons it does not seem likely that it is.

When EPCOR purchased this district from Arizona American Water, the company was well aware of the small customer base in Tubac and the fact that the profit here would never be that of the larger water districts, which are also run by the company. For them to come back and argue for this outrageous increase defies the logic of the business decision they made in acquiring it.

It should be remembered that there are many districts under EPCOR management and that each district has unique circumstances and characteristics. Why should residents of Tubac be required to pay 3 or 4 TIMES what the residents of EPCOR's other districts pay? For the overall company to be profitable, it should NOT be necessary to make each individual district its own profit center. By consolidating the rates, Tubac would benefit from the balancing effect of the rates paid by the larger communities. The rates which those other districts pay is already tremendously lower than that paid in our small town. That in itself is unfair.

We ask the you and the ACC ensure that the residents of Arizona are treated equitably in matters of utility costs. Please take the necessary action to see that EPCOR stands with ALL its customers in providing water at fair and balanced manner. We in Tubac cannot and should not withstand the financial difficulty posed by this current proposal.

Thank you for your attention.

Susan and Robert Maurer Tubac, Arizona

From:

Larry and Jean McCarty < McCarty_L@msn.com>

Sent:

Wednesday, March 04, 2015 1:12 PM

To:

BitterSmith-Web

Subject:

2014 EPCORWater Company Rate Case forTubac,AZ

Attachments:

Itr ACC EPCOR Rate Case - 2 Mar '15.doc

4 March 2015

Dear Ms. Bitter Smith,

Please see attached letter on subject matter

Larry McCarty Tubac, AZ

From:

Peter Benequista < prbenequista@gmail.com>

Wednesday, March 04, 2015 11:58 AM

To:

BitterSmith-Web; RBurns-Web; Stump-Web; Little-Web; Forese-Web

Subject:

EPCOR Water - Tubac Rate Case

March 4, 2015

Honorable Corporation Commissioners:

There is no doubt that EPCOR needs to fund capital improvements in the Tubac water district. Our Canadian friends knew that when the company was purchased by them. A single-step rate increase of 66% is untenable.

More important for your attention is the fact that our rates are higher than all the other water districts served by EPCOR - in violation of Arizona's constitution.

The first thing to do is establish a uniform rate system, according to law.

Then, a revisit of required rate increases may result in smaller numbers - ideally in increments over a few years.

Respectfully, Peter & Carole Benequista (Retired) 20 Avenida de Otero Tubac, AZ 85646

From:

rtbnmbaz@aol.com

Sent:

Tuesday, March 03, 2015 3:10 PM

To:

BitterSmith-Web; RBurns-Web; Stump-web@azdd.gov; Little-Web; Forese-Web

Subject:

EPCOR WATER RATE CASE - ARIZONA

Dear Chairman Susan Bitter Smith and Commissioners Robert Burns, Bob Stump, Doug Little and Tom Forese:

My husband and I are EPCOR (Tubac) Water customers and I also own my mother's home in Tubac. From first living in Tubac in 1967, the cost of water has always been considered high and over the years, we have had to cut back considerably on what is watered even though I would not consider our usage over average. To learn that the new company EPCOR now not only wants to increase our rates, but to increase them by 67% is outrageous to me. It is even more outrageous when I learn what EPCOR water customers in other districts are paying simply because they are in districts with more customers. Perhaps EPCOR should revise the way they look at profit and gain and not PENALIZE those customers who live in smaller districts. This is one company, not separate companies each with their own districts.

I have always cared about water and its conservation in the county in which I live. I attend Groundwaters Users Advisory Committee meetings and used to attend SCAMA meetings before the State ran out of money. I consider it an abhorable situation in which people with the means can pay the \$12,000 plus fee for drilling their own well, which some have already done and which is fairly quickly paid for by what they save in water bills as they pay nothing more. Should the people who could do this proceed and the ones who cannot afford it leave, where would that leave EPCOR? I believe people should have to pay for this very important resource, but at a rate commensurate to all. At some point, I would hope that EPCOR would be forced to consolidate rates among their water districts.

The disparity of rates for water within EPCOR Water districts, in particular for the Tubac Water District, and the disproportionate increase to the Tubac Water District from its current rate are simply NOT FAIR.

Sincerely, Nancy M. Bohman 1 Trocito Court Tubac, Arizona 85646

om: ent: Diane Brooks <dmbrooks.np@gmail.com>

Tuesday, March 03, 2015 2:03 PM

To:

BitterSmith-Web; RBurns-Web; Stump-Web; Little-Web; Forese-Web

Subject:

Proposed Tubac water rate increase

Commissioners,

EPCOR is proposing an 88% increase in water rates for Tubac residential customers. This would increase average monthly bills from \$53.57 to \$100.76. This would affect our monthly finances as, we, like many in this area are on a fixed monthly income. When EPCOR purchased the Tubac Water District they were aware of the small customer base and that their profit would never equate to the other larger districts. If Tubac customers used equal amounts of water as all the other water districts, they would pay four times what Paradise Valley and Sun City customers pay.

The Arizona Corporation Commission has a responsibility to see that all Arizonans pay an equitable amount for utilities. Please consider this when making your decision.

Thank you, Diane M. Brooks Tubac, AZ

rom: ent: david kennedy <kimokennedy@live.com> Wednesday, March 04, 2015 11:00 AM

To:

BitterSmith-Web

Subject:

Water Rates

I am a very concerned home owner here in Tubac and want to voice my concern over the proposed increase in water rates by 88 % for which this is outrages and as a Senior living here for over 19 years I would be shocked if this would be put thru. I am not the Golf course who uses most of the water here in Tubac, but to pass this kind of rate hike to the homeowners is totally off the charts! Please refigure what you are considering.

Thank You,

David M Kennedy

Sent from Windows Mail

From:

Dennis Keene <dennisk4557@gmail.com>

Sent:

Saturday, February 28, 2015 8:25 AM

To:

BitterSmith-Web; RBurns-Web; Stump-Web; Little-Web; Forese-Web

Subject:

Water rate proposed increases in Tubac, AZ

Dear Commissioners,

Based on the notification of proposed water rate increases for the community of Tubac I feel you are breaking the Arizona Constitution, Title 15, Section 12.

A water rate increase of 66.57% is unfair and unheard of! My wife and I are retired and living on Social Security as our main source of income. Try that on for size sometime for yourselves!! (it's impossible!) The average dollar amount of the increase based on normal usage in this area for my family means that I would have to work a complete extra shift at the local Safeway at my hourly rate of \$8.10/hr. each month to simply pay for the proposed water rate increase.

The rates in this community must, by Arizona Law remain equitable to all Arizona residents. Very Sincerely,

Dennis Keene PO Box 1292 Tubac, AZ 85646 630-800-6648 dennisk4557@gmail.com

om:

Mindy Maddock <mindy.maddock@gmail.com>

Monday, March 02, 2015 9:39 PM

To:

RBurns-Web; Stump-Web; Little-Web; Forese-Web; BitterSmith-Web

Subject:

EPCOR Rate Increase Request

To:

Commissioner Bitter Smith

Commissioner Burns

Commissioner Stump

Commissioner Little

Commissioner Forese

RE: EPCOR Rate Increase Request

Dear Commissioners:

My husband and I live in Tubac, AZ. My husband is retired and although I am still employed outside the home, my income is not at all high; social security and some income from my job as a realtor.

EPCOR purchased our very small water company consisting of approximately 482 customers from Arizona-American Water Company. Arizona-American did nothing to upgrade or replace worn out and deteriorating infrastructure while they owned the company. EPCOR has done little to nothing to replace the aging infrastructure since taking over. The water system is held together with duck tape and gum!

The water coming out of the tape spurts, sputters and looks awful in a glass until it has a chance to settle. We lose water more often now (sometimes once a week or more). Our house is one of the first homes to lose water when the well shuts down. I call Jesse and he'll say that he is trying to fix the problems.

EPCOR is proposing to increase water rates by 88%. There is a huge difference between the cost other Arizona communities pay for water and what Tubac customers pay for their water. An increase in water rates is not going to fix our infrastructure and will be an incredible burden for the customers.

The higher the cost for water, the more customers will dig their own wells. Home sellers will have difficulty selling their homes and buyers won't want to buy in a town where the rates and cost are so very high. EPCOR's request would be the death knell for Tubac.

Consolidation is the answer. Consolidation would increase their profitability, give a positive return on investment and give EPCOR the funds to replace infrastructure.

Thank you for your time in reading this letter.

Yours truly

Tom and Mindy Maddock

PO Box 4908

Tubac, AZ 85646

Home: <u>520-398-9388</u>

Larry Deutsch <LND@dpddesign.com>

Monday, March 02, 2015 10:38 AM

To:

BitterSmith-Web; RBurns-Web; Stump-Web; Little-Web; Forese-Web

Cc:

Jim Patterson; Deirdre Eshleman

Subject:

Epcor Water Increase

Commissioners Smith, Burns, Stump, Little and Forese,

Please be aware that the proposed 66.7% Epcor water increase will raise my monthly bills from my last 12 month's average of \$94.32 to \$157.11. As I, along with many other Tubac residents, am on a fixed income, this enormous increase will make decisions as to spending on other financial obligations difficult at best and impossible in other instances.

Please consider a compromise method of averaging the water bills over all of the Arizona water companies and not just singling out Epcor in Tubac. In addition, any bill increases that do go into effect should be phased in over several years and not all at once.

am most appreciative of your consideration re: this proposed water increase issue.

Larry

Larry N. Deutsch, ASID

Ind@dpddesign.com

www.dpddesign.com (520) 323-8100 (O)

(520) 323-8120 (F)

(312) 504-8581 (C)

From:

Linda Cormier <LCormier@TubacGolfResort.com>

Sent:

Friday, February 27, 2015 3:57 PM

To:

BitterSmith-Web; RBurns-Web; Stump-Web; Little-Web; Forese-Web

Cc:

'Mike Allred'

Subject:

Tubac water rate hike

Importance:

High

Dear Commissioners:

Tubac Golf Resort & Spa is probably one of the largest users of EPCOR Water in Tubac, with monthly water bills ranging from \$6,500 to \$8,800 a month, is opposed to the proposed water rate hike and would be adversely effected by EPCOR's unreasonable rate increase. When EPCOR Water was purchased in 2011 they were fully aware of the customer base and the fact that their profits would never equal what larger water districts receive, want to solve *their* problem by increasing rates at a greater disparity compared to rates paid to other water districts, is unfair and unrealistic. We should have 'rate consolidation', Tubac pays the highest rates among all of EPCOR's divisions in Arizona.

The Arizona Corporation Commission has a responsibility to see that businesses and residents of Arizona pay an equitable amount for utilities. Tubac *already* experiences a large disparity for their cost of water versus other Arizona communities, which is unfair. Any increase at this point would be financially difficult for our success and if any new amount is imposed, it should be phased in over a 3-5 year period, not all at once.

Water is an essential requirement of life and the financial disparity that is being imposed on TGR and Tubac customers by EPCOR should never have been allowed to occur, let alone be allowed to increase.

Sincerely,

Linda Cormier

VP Hotel Operations

Tubac Golf Resort & Spa

Direct Line: 520-398-3522

Fax: 520-398-3523

Icormier@tubacgolfresort.com

USA Today Travel named Tubac Golf Resort & Spa 1 of 10 Best Cold Weather escapes in the U.S. Conde Nast Traveler named Tubac 1 of 14 Up-and-Coming, Must See Destinations in the world Tucson Lifestyle Magazine named the Spa at Tubac Golf Resort, Best Spa Resort Visit us on Twitter & Facebook

